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SENATOR CARDIN HOLDS TOWN HALL MEETING WITH HOWARD COUNTY SMALL BUSINESS OWNERS TO TALK ABOUT THE ECONOMY

COLUMBIA – U.S. Senator **Benjamin L. Cardin** (D-MD) today held a town hall meeting with Howard County small business owners to discuss the economic downturn and provisions in the recently enacted economic recovery package and omnibus appropriations bill that could provide them with some relief.

“Our nation’s economic recovery is dependent on the growth of small businesses,” said Senator Cardin, a member of the Senate Committee on Small Business and Entrepreneurship. “My top priority is to ensure that small businesses get the support and capital they need to remain in business and succeed.”

Senator Cardin successfully offered an amendment to the ***American Recovery & Reinvestment Act*** (ARRA) to help small businesses compete for larger contracts. The bill was signed into law by President Obama on February 17.

Due to the economic crisis, surety companies are rejecting bond applications because the contractors cannot show that adequate financing is in place to complete the project. The Cardin amendment makes it easier for small businesses to obtain larger surety bonds by temporarily increasing the limits on the Small Business Administration (SBA) Surety Bond Guarantee Program from \$2 million to \$5 million for contracts awarded under the recovery plan. It also raises the small business size standards for state and local contracts for purposes of surety bond guarantee eligibility.

The economic recovery package also includes additional provisions that will help small businesses by strengthening and improving the SBA’s 7(a) and 504 loan programs, increasing funds for microloans, and increasing the amount of equity investment that is allowed in small businesses so that they will be more attractive to investors.

In addition, on March 11 President Obama signed into law the ***Omnibus Appropriations Act for FY 2009***, which includes more than \$546 million for the Small Business Administration (SBA), providing a boost to the nation’s 27 million small businesses. This

funding is a \$47 million increase from what was appropriated last year when disaster loan funding is excluded.

*“Small businesses make up more than 99% of the nation’s firms and employ more than half the workforce,” said **Senator Cardin**. “Small businesses are the lynchpin of our economy, and I am pleased that I have helped ensure they have additional resources during these difficult economic times so that the credit crisis facing our nation doesn’t shut them out of business.”*

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